

OSTER
Researching Services

12897 Colonial Dr. • Mt. Airy, Md. 21771
Phone: 301-253-6040
Fax: 301-253-6040*

RECORDATION NO. 24972 FILED

MAY 27 '04

12-01 PM

SURFACE TRANSPORTATION BOARD

May 27, 2004

Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Dear Sir:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Security Agreement dated 3/21/04 including the following parties and railroad equipment:

Secured Party:	Wells Fargo Equipment Finance, Inc. Investors Building, #700 733 Marquette Avenue Minneapolis, MN 55479
Debtor:	Browner Turnout Corp. Rt. 1 Box 45 Brook, NE 68320
Equipment:	100, 52'6" Mill Gondolas SFS 130014-130299, 6000-6049, NI

Please record this agreement as a primary document. The filing fee of \$30 is enclosed.

Summary: Memorandum of Security Agreement 3/21/04 between Wells Fargo Equipment Finance, Inc. as Secured Party and Browner Turnout Corp. as Debtor including 100, Mill Gondolas within the series SFS 130014-130299, 6000-6049.

Sincerely,



Mary Ann Oster
Research Consultant

Enclosure

24972 1201

MAY-26-2004 WED 04:39 PM WELLS FARGO EQF

FAX NO. 6123161862

P. 03

RECORDATION NO.

24972

FILED

MAY 27 '04

12-01 PM

MEMORANDUM OF
SECURITY AGREEMENT

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") is made this 21st day of March 2004, by and between Browner Turnout Corp., a Nebraska corporation ("Debtor"), and WELLS FARGO EQUIPMENT FINANCE, INC., a Minnesota Corporation ("Secured Party").

A. The Debtor is indebted to the Secured Party pursuant to that certain Promissory Note dated as of April 23, 2004 (the "Note") executed by the Debtor in favor of the Secured Party.

B. To secure the Debtor's obligations to the Secured Party, the Debtor executed and delivered to the Secured Party a Security Agreement dated April 23, 2004 pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, the following collateral:

(a) One Hundred (100) 52' 6" Mill Gondola Railcars described on Schedule A attached hereto (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;

(b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;

(c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;

(d) all rights, claims and causes of action, if any, which the Debtor may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract or otherwise, in respect of any defect in the Railcars or any part thereof;

(e) any agreement now or hereafter entered into for leasing the Railcars to any third party, including, without limitation, the Per Diem Rent Agreement dated May 10, 2004 between the Debtor and Louisville and Indiana Railroad and the Per Diem Rent Agreement dated May 11, 2004 between Debtor and Sand Springs Railway and the right to receive all payments and other sums due and to become due from time to time thereunder, to receive all notices and give consents, to exercise any election or option, to declare defaults and to demand payment of any sum due in connection therewith;

(f) all rent, damages and other moneys from time to time payable to or receivable by the Debtor in respect of the Railcars; and

(g) all proceeds (cash and non-cash), including insurance proceeds, settlement proceeds and condemnation awards thereof.

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

BROWNER TURNOUT CORP.

Co. *RLB*

By: *[Signature]*

Its: *President*

WELLS FARGO EQUIPMENT FINANCE, INC.

By: *[Signature]*

Its: *ATP/Contract Analyst*

Browner Turnout Corp Memo of Security Agreement (Sublease)/AEZ

P. 20

14021873-5588

LORI GERKING CPA

MAY 28 04 10:16

**SCHEDULE A TO
MEMORANDUM OF SECURITY AGREEMENT
DATED AS OF MARCH 21, 2004**

Equipment Description: One-Hundred (100) 1980 100 ton Mill Gondolas, 52' 6" with the following Markings:

New Initial	New Number	New Initial	New Number	New Initial	New Number
SFS	130014	SFS	130200	SFS	6020
SFS	130018	SFS	130202	SFS	6021
SFS	130019	SFS	130205	SFS	6023
SFS	130022	SFS	130206	SFS	6024
SFS	130024	SFS	130211	SFS	6025
SFS	130035	SFS	130220	SFS	6026
SFS	130049	SFS	130224	SFS	6027
SFS	130054	SFS	130236	SFS	6028
SFS	130057	SFS	130239	SFS	6029
SFS	130059	SFS	130240	SFS	6030
SFS	130061	SFS	130241	SFS	6031
SFS	130071	SFS	130251	SFS	6032
SFS	130073	SFS	130252	SFS	6033
SFS	130083	SFS	130264	SFS	6034
SFS	130086	SFS	130266	SFS	6035
SFS	130089	SFS	130275	SFS	6036
SFS	130101	SFS	130276	SFS	6037
SFS	130105	SFS	130279	SFS	6038
SFS	130116	SFS	130280	SFS	6039
SFS	130119	SFS	130288	SFS	6040
SFS	130120	SFS	130295	SFS	6041
SFS	130132	SFS	130299	SFS	6042
SFS	130133	SFS	6000	SFS	6043
SFS	130134	SFS	6001	SFS	6044
SFS	130138	SFS	6003	SFS	6045
SFS	130141	SFS	6004	SFS	6046
SFS	130145	SFS	6005	SFS	6047
SFS	130148	SFS	6006	SFS	6049
SFS	130154	SFS	6007		
SFS	130164	SFS	6008		
SFS	130167	SFS	6011		
SFS	130171	SFS	6012		
SFS	130174	SFS	6014		
SFS	130182	SFS	6015		
SFS	130189	SFS	6016		
SFS	130195	SFS	6018		

Browner Turnout Corp Memo of Security Agreement(Subtitle)/AEZ

STATE OF Minnesota
COUNTY OF Hennepin

On this 26 day of May, 2004, before me, a Notary Public of the City and State aforesaid, personally appeared Jacqueline P. Baring me personally known, who being by me duly sworn, says that he is the AVP/Contract Analyst of Wells Fargo Equip Finance, a Minnesota corporation, the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.



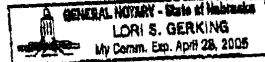
Patti H. DeYoung
Notary Public

My commission expires:

STATE OF Nebraska
COUNTY OF OTIE

On this 26th day of May, 2004, before me a Notary Public of the City and State aforesaid, personally appeared Robert Butler, to me personally known who being by me duly sworn, says that (he/she) is a President of Browner Turnout Co., that foregoing instrument is/was signed on behalf of said corporation by authority of its Board of Directors, and (he/she) acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.



(Seal)

Lori S. Gerking
Notary Public

My commission expires: Apr. 28, 2005

Browner Turnout Corp Memo of Security Agreement (Sublease)/AEZ